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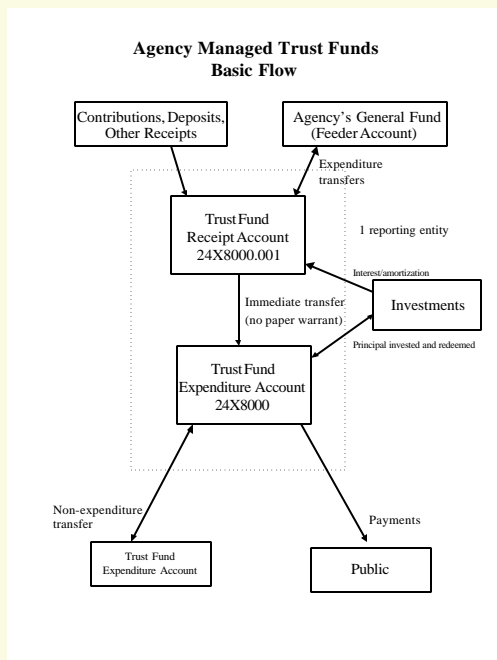
Scenario V

Treasury-Managed
Trust Funds

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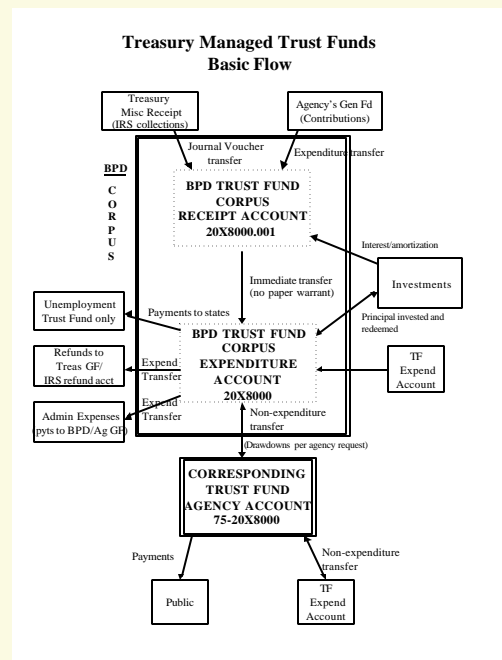
Basic Flow of Trust Fund Activity

Agency-Managed



The Federal Program Agency is responsible for managing the trust fund (i.e. records collections, disbursements, and initiates investment/redemption activity).

Treasury-Managed



The Bureau of Public Debt is responsible for managing the fund (i.e. records collections, investment activity, and transfers to corresponding Agency account).

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SECTION V – TREASURY-MANAGED TRUST FUNDS

The intent of Section V is to highlight some of the accounting and reporting differences that Treasury-managed trust funds are subject to. Treasury-managed trust funds are a unique group of accounts, in that the law has designated the Secretary of Treasury to act the role of managing trustee for a named group of trust funds. As a result, most of these funds were established as two separate but corresponding Treasury Appropriation Fund Symbols (TAFS): the portion managed by the BPD (referred to in this section as the “corpus account”) (i.e. 20X8000), and the portion run by the program agency (referred to in this section as the “agency account”) (i.e. 75-20X8000). For FACTS II reporting (SF 133, FMS 2108, P&F), each TAFS submits its portion of the activity, and then Treasury and OMB consolidate the data into one. For Form and Content reporting, the agency consolidates the data and reports the trust fund as a whole.

The basic flow of activity that occurs within a Treasury-managed versus an agency-managed trust fund is similar in many respects, but does have a few distinct differences. As illustrated in the flow chart that follows, receipts of a Treasury-managed trust fund are recorded in the corpus account, whereby they are invested based upon the terms stipulated in the legislation. As funds are need by the agency account for disbursement, the program agency contacts the BPD for a transfer of funds (accomplished via SF 1151: Nonexpenditure Transfer Authorization), whereupon the BPD disinvests the funds so that the transfer can occur.

This transfer between the corpus account and agency account requires different accounting and reporting treatment than other Federal and non-Treasury-managed trust fund nonexpenditure transfers. In order to maintain sound cash management principles, funds are to remain invested until needed for disbursement, so that the amount of interest earned is maximized. Since the investment function is performed by the BPD, and the obligation and disbursement function is performed by the agency, a budgetary mechanism may be needed for transferring authority prior to actually transferring funds. Furthermore, in support of Treasury and OMB reporting requirements, this transfer of budget authority prior to the transfer of funds is reported differently for these single-entity trust funds.

The following scenario demonstrates the use of the new/modified SGL accounts listed below that have been established for reporting beginning fiscal 2001. Specifically, it illustrates accounting and reporting for nonexpenditure transfers between Treasury-managed trust funds, where the transferring entity is responsible for the investing, and the receiving entity is an allocation account. Visit the SGL web site for fiscal 2000 interim guidance on transfers among Treasury-managed trust funds (www.fms.treas.gov/ussgl/sgl-impl.html).

- 1330 Receivable for Transfers of Currently Invested Balances
- 2150 Payable for Transfers of Currently Invested Balances
- 4165 Treasury-Managed Trust Fund Distributions of Authority - Anticipated
- 4166 Treasury-Managed Trust Fund Distributions of Realized Authority – To be Transferred
- 4167 Treasury-Managed Trust Fund Distributions of Realized Authority - Transferred

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SECTION V – TREASURY-MANAGED TRUST FUNDS

Year 1

BPD TRUST FUND CORPUS ACCOUNT (20X8000)

AGENCY TRUST FUND ACCOUNT (75-20X8000)

<p>1. To record amounts anticipated by Agency for transfer based on apportionment request.</p> <p>N/A</p>	<p>1. To record amounts anticipated by Agency for transfer based upon an apportionment request.</p> <p>4165 Treasury-Managed Trust Fund Distributions of Authority – Anticipated 50,000</p> <p>4450 Unapportioned Authority 50,000</p>
<p>2. To record receipts into Treasury Trust Fund Corpus account.</p> <p>1010 Fund Balance With Treasury 70,000</p> <p>5800 Tax Revenue Collected 70,000</p> <p>4114 Appropriated Trust or Special Fd Receipts 70,000</p> <p>4620 Unob Fds Not Subject to Apportionment 70,000</p>	<p>2. To record receipts into Treasury Trust Fund Corpus account.</p> <p>N/A</p>
<p>3. To record the investment of receipts in par value securities issued by the Bureau of Public Debt.</p> <p>1610 Investments in U.S. Treas. Sec. Issued by PD 70,000</p> <p>1010 Fund Balance With Treasury 70,000</p>	<p>3. To record the investment of receipts in par value securities issued by the Bureau of Public Debt.</p> <p>N/A</p>
<p>4. To record apportionment of funds based on an approved SF 132 Apportionment Schedule.</p> <p>N/A</p>	<p>4. To record apportionment of funds based on an approved SF 132 Apportionment Schedule.</p> <p>4450 Unapportioned Authority 50,000</p> <p>4510 Apportionments 50,000</p>

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SECTION V – TREASURY-MANAGED TRUST FUNDS

Year 1

BPD TRUST FUND CORPUS ACCOUNT (20X8000)

AGENCY TRUST FUND ACCOUNT (75-20X8000)

<p>5a. To record receivables/payables for authority transferred, prior to SF 1151 request</p> <p>5765 Nonexpenditure Trust Fund Financing Sources – Transfers-Out 25,000 2150 Payable for Transf of Curr Invested Bal 25,000</p> <p>4620 Unob Fds Not Subject to Apportionment 25,000 4166 Treasury-Managed Trust Fund Distrib. of Realized Authority - To be Transferred 25,000</p> <p>5b. To record obligations incurred</p> <p>N/A</p>	<p>5a. To record receivables for authority transferred, prior to SF 1151 request</p> <p>1330 Receiv for Transfers of Curr Invested Bal 25,000 5755 Nonexpenditure Trust Fund Financing Sources - Transfers-In 25,000</p> <p>4166 Treasury-Managed Trust Fund Distributions of Realized Authority - To be Transferred 25,000 4165 Treasury-Managed Trust Fund Distributions of Authority - Anticipated 25,000</p> <p>5b. To record obligations incurred</p> <p>4510 Apportionments 25,000 4801 Unexpended Obligations - Unpaid 25,000</p>
<p>6. To record payable for expenses incurred</p> <p>N/A</p>	<p>6. To record payable for expenses incurred</p> <p>6100N Operating Expenses/Program Costs 25,000 2110N Accounts Payable 25,000</p> <p>4801 Unexpended Obligations – Unpaid 25,000 4901 Expended Authority – Unpaid 25,000</p>

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SECTION V – TREASURY-MANAGED TRUST FUNDS

Year 1

Budgetary Adjusting Entries for CORPUS account:

A1)	To record year-end limitation on obligation		
4620	Unobligated Funds Not Subject to Apport	45,000	
4397	Receipts and Approps Temp Precl from Oblig*	45,000	

* Several, but not all, of the Treasury-managed trust funds have limitations on obligations. For those that do not, follow the guidance in Section I.

Pre-closing Adjusted Trial Balance for CORPUS account:

4114	70,000	
4166		25,000
4397		45,000
	<u>70,000</u>	<u>70,000</u>

Budgetary Closing Entry for CORPUS account:

C1)	To consolidate resources		
4201	Total Actual Resources - Collected	70,000	
4114	Appropriated Trust or Special Fd Receipts	70,000	

Post-closing Trial Balance for CORPUS account:

4166		25,000
4201	70,000	
4397		45,000
	<u>70,000</u>	<u>70,000</u>

Budgetary Adjusting Entry for AGENCY account:

A1)	To reduce anticipateds to zero		
4510	Apportionments	25,000	
4165	Treasury-Managed Trust Fund		
	Distributions of Authority - Anticipated	25,000	

Pre-closing Adjusted Trial Balance for AGENCY account:

4166	25,000	
4901		25,000
	<u>25,000</u>	<u>25,000</u>

Budgetary Closing Entry for AGENCY account:

- none -

Post-closing Trial Balance for AGENCY account:

4166	25,000	
4901		25,000
	<u>25,000</u>	<u>25,000</u>

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SECTION V – TREASURY-MANAGED TRUST FUNDS

Year 1

Proprietary

Pre-closing Adjusted Trial Balance for CORPUS account:

1610	70,000	
2150		25,000
5765	25,000	
5800		70,000
	<u>95,000</u>	<u>95,000</u>

Proprietary

Pre-closing Adjusted Trial Balance for AGENCY account:

1330	25,000	
2110		25,000
5755		25,000
6100	25,000	
	<u>50,000</u>	<u>50,000</u>

Proprietary Closing Entry for CORPUS account:

C1) To close revenues into cumulative results of operations

5800	Tax Revenue Collected	70,000	
3310	Cumulative Results of Operations		45,000
5765	Nonexpenditure Trust Fund Financing		
	Sources - Transfers-Out		25,000

Proprietary Closing Entry for AGENCY account:

C1) To close revenues and expenses into cumulative results of operations

5755	Nonexpenditure Trust Fund Financing		
	Sources - Transfers-In		25,000
6100	Operating Expenses/Program Costs		25,000

Post-closing Trial Balance for CORPUS account:

1610	70,000	
2150		25,000
3310		45,000
	<u>70,000</u>	<u>70,000</u>

Post-closing Trial Balance for AGENCY account:

1330	25,000	
2110		25,000
	<u>25,000</u>	<u>25,000</u>

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SECTION V – TREASURY-MANAGED TRUST FUNDS

Year 1

Trust Fund SF-133: Report on Budget Execution (Year-End) For Corpus and Agency Accounts

BUDGETARY RESOURCES		<u>CORPUS</u>	<u>AGENCY</u>
1.	Budget Authority		
	A. Appropriations (4114E)	70,000	0
	D. Net Transfers, Current Year Authority Realized (4166E-B)	(25,000)	25,000
2.	Unobligated Balance (4166B)	0	0
3.	Spending Authority from Offsetting Collections (gross)		
4.	Recoveries of Prior Year Obligations		
5.	Temporarily Not Available Pursuant to Public Law (4397E-B)	(45,000)	
6.	Permanently Not Available		
7.	Total Budgetary Resources	0	25,000
STATUS OF BUDGETARY RESOURCES			
8.	Obligations Incurred (4901E-B)	0	25,000
9.	Unobligated Balance (available)		
10.	Unobligated Balance Not Available		
11.	Total, Status of Budgetary Resources	0	25,000
RELATION OF OBLIGATIONS TO OUTLAYS			
12.	Obligated Balance, net as of October 1		
13.	Obligated Balance Transferred, net		
14.	Obligated balance, net, end of period		
	D. (4901E)		25,000
15.	Outlays		
	A. Disbursements (4902E)	0	0
	B. Collection		

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SECTION V – TREASURY-MANAGED TRUST FUNDS

Year 1 FMS 2108: Year-End Closing Statement

		<u>CORPUS</u>	<u>AGENCY</u>
Col 6	Other Authorizations (1610E)	70,000	0
Col 7	Reimbursements Earned (4166E)*	(25,000)	25,000
Col 10	Accounts Payable (4901E)	0	25,000
Col 11	Unobligated Balance (4397E)	45,000	0

* Note: The receivable/payable amounts to be transferred (SGL account 4166) in Column 7 net to zero.

CONSOLIDATED Schedule P - Program & Financing

Budgetary Resources Available for Obligation

2200	New budget authority (gross) (4114E - 4397E-B)	25,000
2395	Total new obligations (-) (4901E-B)	(25,000)

New Budgetary Authority (Gross) Detail

4027/6027	Appropriation (trust fund, indefinite) (4114E)	70,000
4100	Transferred to other accounts (-) (4170)	0
4200	Transferred from other accounts (4170)	0
6045	Portion precluded from obligation (-) (4397E-B)	<u>(45,000)</u>
6250	Appropriation (total)	25,000

Change in Unpaid Obligations

7299	Total unpaid obligations, start of year (4901B)	0
7310	Total new obligations (4901E-B)	<u>25,000</u>
7499	Total unpaid obligations, end of year (4901E)	25,000

Memorandum Entries

9201	Total investments, start of year (1610B)	0
9202	Total investments, end of year (1610E)	70,000

Note: The receivable/payable amounts to be transferred (SGL account 4166) are not reflected on the P&F Schedule.

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SECTION V – TREASURY-MANAGED TRUST FUNDS

Year 1 Consolidated Corpus/Agency Form and Content Reports

<p><u>Balance Sheet</u></p> <p>ASSETS</p> <p>1A4. Investments (1610E) 70,000</p> <p>4B1. Accounts Payable (2110E) 25,000</p> <p>LIABILITIES & NET POSITION</p> <p>8. Cumulative Results of Operations (3310E) 45,000</p>	<p><u>Statement of Budgetary Resources</u></p> <p>1A. Budg Auth - Approps (4114E) 70,000</p> <p>4B. Adj-Temp not Avail (4397E-B) <u>(45,000)</u></p> <p>5. Total Budgetary Resources 25,000</p> <p>6. Obligations Incurred (4901E-B) <u>25,000</u></p> <p>9. Total Status of Resources 25,000</p>
<p><u>Statement of Net Cost</u></p> <p>1B1. Program Costs-Public-Production (6100E) 25,000</p> <p>1D. Less Earned Revenue 0</p> <p>5. Net Cost of Operations (calc) 25,000</p>	<p><u>Statement of Financing</u></p> <p>1A. Obligations Incurred (4901E-B) 25,000</p> <p>1J. Total (calc) 25,000</p> <p>5.Net Cost of Operations (calc) 25,000</p>
<p><u>Statement of Changes in Net Position</u></p> <p>1. Net Cost of Operations 25,000</p> <p>2B. Financing Sources-Taxes (5800E) 70,000</p> <p>9. Net Position-End of Period (calc) 45,000</p>	

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SECTION V – TREASURY-MANAGED TRUST FUNDS

Year 2

BPD TRUST FUND CORPUS ACCOUNT (20X8000)

AGENCY TRUST FUND ACCOUNT (75-20X8000)

Agency account requests transfer of funds to meet disbursement needs.		Agency account requests transfer of funds to meet disbursement needs.	
1a.	To record disinvestment of funds.	1a.	To record disinvestment of funds.
1010	Fund Balance With Treasury 25,000		N/A
1610	Investments in U.S. Treas. Sec. Issued by PD 25,000		
1b.	To record actual transfer of funds (SF 1151 Non-expenditure Transfer Authorization) between corpus and agency accounts	1b.	To record actual transfer of funds (SF 1151 Non-expenditure Transfer Authorization) between corpus and agency accounts
2150	Payable for Transfers of Currently Invested Bal 25,000	1010	Fund Balance With Treasury 25,000
1010	Fund Balance With Treasury 25,000	1330	Receiv for Transfers of Curr Invested Bal 25,000
4166	Treasury-Managed Trust Fund Distributions of Realized Authority - To be Transferred 25,000	4167	Treasury-Managed Trust Fund Distributions of Realized Authority - Transferred 25,000
4167	Treasury-Managed Trust Fund Distributions of Realized Authority - Transferred 25,000	4166	Treasury-Managed Trust Fund Distributions of Realized Authority - To be Transferred 25,000
1c.	To record disbursement of funds	1c.	To record disbursement of funds
	N/A	2110N	Accounts Payable 25,000
		1010	Fund Balance With Treasury 25,000
		4901	Expended Authority – Unpaid 25,000
		4902	Expended Authority - Paid 25,000

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SECTION V – TREASURY-MANAGED TRUST FUNDS

Year 2

Beginning Budgetary Trial Balance for CORPUS account:

4166		25,000
4201	70,000	
4397		45,000
	<u>70,000</u>	<u>70,000</u>

(No Adjusting Entries for CORPUS account)

Pre-closing Adjusted Trial Balance for CORPUS account:

4167		25,000
4201	70,000	
4397		45,000
	<u>70,000</u>	<u>70,000</u>

Closing Entry for CORPUS account:

C1)	To consolidate resources	
	4167 Treasury-Managed Trust Fund Distributions of Authority - Realized	25,000
	4201 Total Actual Resources - Collected	25,000

Post-closing Trial Balance for CORPUS account:

4201	45,000	
4397		45,000
	<u>45,000</u>	<u>45,000</u>

Beginning Budgetary Trial Balance for AGENCY account:

4167	25,000	
4901		25,000
	<u>25,000</u>	<u>25,000</u>

(No Adjusting Entry for AGENCY account)

Pre-closing Adjusted Trial Balance for AGENCY account:

4167	25,000	
4902		25,000
	<u>25,000</u>	<u>25,000</u>

Closing Entries for AGENCY account:

C1)	To consolidate resources	
	4201 Total Actual Resources – Collected	25,000
	4167 Treasury-Managed Trust Fund Distributions of Authority – Realized	25,000
C1)	To close expended authority paid	
	4902 Expended Authority - Paid	25,000
	4201 Total Actual Resources - Collected	25,000

Post-closing Trial Balance for AGENCY account

- none -

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SECTION V – TREASURY-MANAGED TRUST FUNDS

Year 2

Beginning Proprietary Trial Balance for CORPUS account:

1610	70,000	
2150		25,000
3310		45,000
	<u>70,000</u>	<u>70,000</u>

Pre-closing Adjusted Trial Balance for CORPUS account:

1610	45,000	
3310		45,000
	<u>45,000</u>	<u>45,000</u>

Proprietary Closing Entry for CORPUS account:

- none -

Post-closing Trial Balance for CORPUS account:

1610	45,000	
3310		45,000
	<u>45,000</u>	<u>45,000</u>

Beginning Proprietary Trial Balance for AGENCY account:

1330	25,000	
2110		25,000
	<u>25000</u>	<u>25000</u>

Pre-closing Adjusted Trial Balance for AGENCY account:

- none -

Proprietary Closing Entry for AGENCY account:

- none -

Post-closing Trial Balance for AGENCY account:

- none -

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SECTION V – TREASURY-MANAGED TRUST FUNDS

Year 2

Trust Fund SF-133: Report on Budget Execution (Year-End) for Corpus and Agency Accounts

BUDGETARY RESOURCES		<u>CORPUS</u>	<u>AGENCY</u>
1.	Budget Authority		
	A. Appropriations		
	D. Net Transfers, Current Year Authority Realized (4166E-B+4167E)	0	0
2.	Unobligated Balance (4201B + 4397B + 4901B + 4166B)	0	0
3.	Spending Authority from Offsetting Collections (gross)		
4.	Recoveries of Prior Year Obligations		
5.	Temporarily Not Available Pursuant to Public Law (4397E-B)	0	0
6.	Permanently Not Available		
7.	Total Budgetary Resources	0	0
STATUS OF BUDGETARY RESOURCES			
8.	Obligations Incurred (4901E-B + 4902E)	0	0
9.	Unobligated Balance (available)		
10.	Unobligated Balance Not Available		
11.	Total, Status of Budgetary Resources	0	0
RELATION OF OBLIGATIONS TO OUTLAYS			
12.	Obligated Balance, net as of October 1 (4901B)	0	25,000
13.	Obligated Balance Transferred, net		
14.	Obligated balance, net, end of period		
15.	Outlays		
	A. Disbursements (4902E)	0	25,000
	B. Collections		

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SECTION V – TREASURY-MANAGED TRUST FUNDS

Year 2 FMS 2108: Year-End Closing Statement

		<u>CORPUS</u>	<u>AGENCY</u>
Col 6	Other Authorizations (1610E)	45,000	0
Col 11	Unobligated Balance (4397E)	45,000	0

CONSOLIDATED Schedule P - Program & Financing

Budgetary Resources Available for Obligation

2200	New budget authority (gross) (4114E - 4397E-B)	0
2395	Total new obligations (-) (4901E-B + 4902E-B)	0

New Budgetary Authority (Gross) Detail

4027/6027	Appropriation (trust fund, indefinite) (4114E)	0
4100	Transferred to other accounts (-) (4170)	0
4200	Transferred from other accounts (4170)	0
6045	Portion precluded from obligation (-) (4397E-B)	<u>(0)</u>
6250	Appropriation (total)	0

Change in Unpaid Obligations

7299	Total unpaid obligations, start of year (4901B)	25,000
7310	Total new obligations (4901E-B)	<u>(25,000)</u>
7499	Total unpaid obligations, end of year (4901E)	0

Memorandum Entries

9201	Total investments, start of year (1610B)	70,000
9202	Total investments, end of year (1610E)	45,000

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SECTION V – TREASURY-MANAGED TRUST FUNDS

Year 2

Consolidated Corpus/Agency Form and Content Reports

<u>Balance Sheet</u> ASSETS 1A4. Investments (1610E) 45,000 LIABILITIES & NET POSITION 8. Cumulative Results of Operations (3310E) 45,000		<u>Statement of Budgetary Resources</u> 1A. Budg Auth - Approps 0 2A. Unob Bal Avail (4201B+4166B+4397B) 0 4B. Adj-Temp not Avail (4397E-B) 0 5. Total Budgetary Resources 0 6. Obligations Incurred (4901E-B+4902E) 0 9. Total Status of Resources 0	
<u>Statement of Net Cost</u> -0-		<u>Statement of Financing</u> 1A. Obligations Incurred (4901E-B+4902E) 0 1J. Total (calc) 0 5.Net Cost of Operations (calc) 0	
<u>Statement of Changes in Net Position</u> 1. Net Cost of Operations 0 8. Net Position-Beg of Period (3310B) 45,000 9. Net Position-End of Period (calc) 45,000			